

EXHIBIT A.521

(17 of 17)

2005 as the initial year. Unless otherwise noted, we converted data on historical expenditures in dollars to 2003 dollars using the U.S. GDP deflator. We focus on the real costs of implementing our recommendations, considering changes in relative prices. In particular, we assume that productivity increases would counterbalance increases in dollar wages. Our cost estimates account for natural population growth (at annual rates of 3–5 percent), but we have assumed zero net migration. In the event of substantial immigration to an independent Palestinian state, most of the cost estimates would need to be increased to meet the specified development targets for a larger population. The main exception would be the costs for security, which are determined by the security environment and are not directly proportional to the population.

Costs to Implement the Recommendations Described in This Study

As described in the Introduction, we use two approaches to estimating costs: the analogy approach (i.e., using costs of similar programs elsewhere to estimate the likely costs of these programs in Palestine) or parametric estimation (i.e., using relationships between costs and input variables based on historical data from similar projects to create a mathematical model for estimating costs in Palestine). In each case, the details supporting these estimates are provided in the relevant chapters.

Internal Security. We specify a variety of components that would be required for robust internal security. We estimate the costs of these components using analogies based on recent experience with the creation of new internal security institutions in Iraq. This approach results in a cost estimate for establishing and operating the institutions of internal security of \$7 billion to \$7.7 billion over ten years.

Water. The cost estimate is based on a previously developed model, which we have modified based on our best judgment for various scenarios. One of the benefits of a well-developed model is the ability it provides to examine multiple scenarios. The cost of our base case is \$4.93 billion for the ten-year period from 2005 to 2014. However, in an alternative scenario, a combination of higher energy costs and increased population growth raises this estimate to \$5.86 billion. Cost numbers for models based on improvements in the efficiency of water use combined with reducing agricultural use of water in Gaza range from \$3.57 billion for the base case to \$4.03 billion for an alternative scenario in which energy costs are relatively high and the population increases more rapidly.

Health. We use historical Palestinian data as a starting point and develop an incremental cost estimate for external support needed to increase health system spending to a satisfactory level, given health system development needs, population growth, and declines in spending during the second intifada. The total incremental cost ranges from \$1.3 billion to \$1.65 billion for the first ten years of statehood (2005–2014).

Education. We use UNESCO data on the ratio of education spending per student to GNI per capita in three categories of countries (those similar to Palestine with high-quality education systems, those similar to Palestine with moderate-quality education

systems, and those with different socioeconomic contexts *and* high-quality education systems) to propose base spending ratios for Palestine, which are multiplied by adjusted GNI per-capita figures for Palestine over the relevant time frame. (Base figures are adjusted for the large investments in capital stock that will be required and for differences between the time transition path of salary levels and the path of GNI per capita.) Palestinian enrollment projections through 2010 are used, supplemented by a youth population growth rate of 5 percent per year for 2010–2014, to calculate annual spending per student and total annual cost. Total annual cost for the Palestinian education system ranges from \$1 billion to \$1.54 billion for 2005–2014. We do not distinguish between donor and national investments.

Other Key Infrastructures. It is important to note that significant investment will be needed in a number of additional areas, for which detailed analysis was outside the scope of this book.¹ While we have not attempted to identify every additional program or investment necessary for a successful state, we provide brief information here about five additional areas where considerable investment will be needed to promote successful development: the Palestinian road network, including a road to connect Gaza and the West Bank; a commercial seaport in Gaza; rehabilitation and expansion of the airport in Gaza; upgrading and expanding the electric power grid; and improving and expanding the Palestinian housing stock. We present a summary discussion here; additional information is in Appendix 9.A.

- *Road Improvements.* A good system of roads is essential to efficiently move people and goods within a Palestinian state and between Palestine and its neighbors. The West Bank and Gaza currently have an extensive system of roads, but this infrastructure needs both improvement and expansion. A Palestinian state will also require suitable transportation links between the West Bank and Gaza that ensure Israel's security. Plausible estimates of the cost of a road linking the West Bank and Gaza range between \$500 million and \$1 billion, but we also found estimates ranging between \$200 million and \$10 billion.
- *Gaza Seaport.* Currently, all seaborne shipments of goods and services entering or leaving the West Bank and Gaza go through Israeli ports. If security concerns are resolved, a future Palestinian state would likely build a port in Gaza to facilitate trade. A plausible lower bound estimate of the cost of constructing such a port is \$62 million—the value of a contract tendered in 2000 to build a seaport in Gaza. That seaport project was suspended because of the second intifada.
- *Airport.* The government of a Palestinian state may choose to construct an airport capable of handling commercial aircraft. The existing Gaza airport, built in 1998 at a cost of \$64 million, was damaged by Israeli forces during the second intifada; in 2003, the cost of repair was estimated at \$35 million. To our knowledge, the

¹ Doug Suisman, Steven N. Simon, Glenn E. Robinson, C. Ross Anthony, and Michael Schoenbaum, *The Arc: A Formal Structure for a Palestinian State*, Santa Monica, Calif.: RAND Corporation, MG-327-GG, 2005.

Gaza airport was never equipped to handle substantial commercial traffic, which would require additional investment.

- *Electric Power Grid.* In a 1999 needs assessment, the World Bank master plan “identified investment requirements over the next ten years (exclusive of generation and new transmission lines) totaling more than \$600 million” for Palestine.² The costs of building generating capacity and new transmission lines would be appreciably more than this figure, especially if Palestine were to replace Israeli generating capacity with indigenous plants.
- *Housing Stock.* Very limited investments have been made in Palestinian housing since the beginning of the second intifada. Square meters per capita—one measure of the adequacy of housing stock—is low in the West Bank and Gaza, even compared with other Middle Eastern countries; and the number of people per room is relatively high. Improvements in the housing stock will involve repairing the existing stock and building new residences to provide for population growth and to reduce crowding. A companion RAND report will explore options for addressing housing and related requirements of a burgeoning Palestinian population.³

Decisions on the timing, size, and priority of major infrastructure investments will need to be made at a national level. In almost all cases, the Palestinian state will need financing from foreign donors and lenders for all large infrastructure projects. Financing will necessitate feasibility and cost studies. Consequently, foreign donors and lenders will be heavily involved in discussions concerning priorities and the design and construction of investment projects.

Additional Areas of Investment. The chapters on governance and demography do not contain explicit cost estimates. However, the activities and policies discussed in these chapters will require additional expenditures. Below are some areas where costs are likely to be incurred.

- *Governance.* This chapter identified some of the issues involved in creating a democratic state with an efficient, responsive government in Palestine. This will entail real financial costs, for conducting elections and establishing and operating the legislative and executive branches of government, among other costs. The chapter does not estimate the costs of these institutional changes, which would be in addition to those discussed above. Some instances of institutional change discussed in that chapter, however, are explored from different angles in other chapters. For example, the Internal Security chapter includes the costs of a judicial system,

² World Bank, *Project Appraisal Document on a Proposed Trust Fund Credit in the Amount of \$15.0 Million to the West Bank and Gaza for an Electric Sector Investment and Management Project*, Report No. 19603-GZ, August 12, 1999, p. 17.

³ Suisman et al., 2005.

while the Health chapter discusses needs associated with health system development, including strengthening the Palestinian Ministry of Health.

- *Demography.* This chapter describes demographic trends. While population growth substantially affects the costs of providing government services—for example, health care and education—it does not entail specific costs in and of itself. The chapter also discusses potential immigration to a Palestinian state of Palestinians living in other countries. These inflows could add substantially to the total population in ways that are hard to forecast because of uncertainty about the number and characteristics of the immigrants. In general, substantial immigration to a Palestinian state would increase the costs of achieving the development goals we describe.⁴
- *Economic Vitality.* Finally, the Economics chapter estimates levels of capital investment needed for successful development. Specifically, this chapter includes projections of increases in employment and economic output based on an annual level of capital investment of around \$3.3 billion per year for a cumulative total of some \$33 billion over the first decade of independence (and \$50 billion over the period 2004–2019 considered in the chapter).

Using an accounting growth model at this assumed level of investment and assuming the changes in the Palestinian labor force and in total factor productivity specified in the Economics chapter, the model yields projections of future employment and Palestinian national income per capita. The capital costs of the estimates above (e.g., water projects, health and education infrastructure, roads, the seaport and airport, and the electric power systems) would be subsumed in these projections of gross fixed capital investment. However, operating costs, such as salaries of workers at water treatment plants, are not.

Much of this investment will be provided by the Palestinians themselves, especially investment in housing. It is hoped that rapid economic growth will generate revenues that can be applied toward a variety of state building investments, reducing the amount that must be raised from international donations. Nonetheless, a substantial share of this investment in gross fixed capital is likely to be financed from abroad, especially in the early years.

Donor Funding and the Costs of Creating a Viable Palestinian State

This book provides a number of cost estimates of individual elements of a Palestinian state. However, it does not provide an estimate of the likely *total* costs of creating the new state. Nonetheless, some of the projections and estimates help explore these costs.

⁴ As above, cost estimates in other chapters consider natural population growth but assume zero net migration. The cost estimates for several chapters, including Chapter Three, are directly proportional to population size (so that a 10 percent increase in population would increase costs by 10 percent, given the methods used in those chapters); this is also true for education costs, but with respect to specific age subgroups rather than the population overall.

The Economics chapter estimates that gross fixed capital investment of \$3.3 billion per year will be needed over the first decade of statehood to generate the posited gains in employment. This aggregate figure includes all investment, whether funded by domestic or foreign sources. It exceeds the individual estimates of costs for the seaport, airport, connecting road, and improvements in the electric power system; the capital costs of expanding water and sewage systems; and even the costs of improving health care and education—many of which are *operating* rather than *investment* costs. Thus, this economic analysis of the Palestinian economy indicates that the individual cost estimate totals reasonably align with overall investment needs.

Although both cost-estimating approaches (analogical and parametric) help us estimate the financial challenge of creating a new state, neither approach distinguishes between resources provided by the Palestinians themselves and those that may be requested from foreign donors. To roughly determine the magnitude of funding that might be requested, we have resorted to the use of “reasonable” analogies: the amount of foreign funding that has been required to reconstruct Bosnia and Kosovo.

Like Palestine, these two entities suffered considerable damage from conflicts. Both have attracted considerable international interest and assistance. Both have had some success in creating democratic governments and revitalizing the local economies. In the first two years following the signing of peace accords in Bosnia and Kosovo, foreign assistance (grants and loans) averaged \$714 and \$433, respectively, per person per year. Applying these per-capita figures to the projected population of Palestine, an analogous inflow of assistance would range from \$1.6 billion to \$2.7 billion in the first year, rising to \$2.1 to \$3.5 billion by 2014 as a result of increases in the population (see Table 9.2). Over the ten-year period between 2005 and 2014, total flows of foreign assistance to a new Palestinian state analogous with those that have been granted to Kosovo and Bosnia would run from \$18.8 billion to \$31.1 billion. These dollar totals include all areas estimated in our study plus some others (e.g., transportation) that were beyond the scope of the present study.

By comparison, the World Bank estimated that the total volume of international aid to the West Bank and Gaza was \$1.051 billion in 2002 and \$0.929 billion in 2001.⁵ Thus the amount of aid required in Palestine based on the Kosovo analogy would represent more than a 50 percent increase for 2005, relative to the 2002 level of international aid to the West Bank and Gaza, while aid based on the Bosnia analogy would require more than doubling the level of aid received in 2002.

Although large, this magnitude of costs is certainly sustainable through concerted international cooperation.

⁵ The World Bank figures are in then-year U.S. dollars; World Bank, *West Bank and Gaza Update*, April–June 2003.

Table 9.2
Aid Flows Analogous to Bosnia and Kosovo

Year	Estimated Palestinian Population	Total Aid (millions of 2003 dollars)	
		Bosnia Analogy	Kosovo Analogy
2005	3,761,904	2,688	1,627
2006	3,889,249	2,779	1,683
2007	4,018,332	2,871	1,738
2008	4,149,173	2,964	1,795
2009	4,281,766	3,059	1,852
2010	4,416,076	3,155	1,910
2011	4,547,678	3,249	1,967
2012	4,676,579	3,341	2,023
2013	4,807,137	3,434	2,080
2014	4,939,223	3,529	2,137
Total		31,068	18,813

In Conclusion

At the time of this writing, the prospects for establishing an independent Palestinian state are uncertain. U.S. attention, without which a negotiated settlement between Palestinians and Israelis seems unlikely, has been primarily focused on Iraq to date. Nevertheless, a critical mass of Palestinians and Israelis—as well as the United States, Russia, the European Union, and the United Nations—remain committed to the goal of establishing a Palestinian state. Additionally, U.S. experience in Iraq and Afghanistan can only reinforce the value of having plans in place for the eventuality of an independent Palestine. The death of Yasser Arafat in November 2004, which spurred both Palestinians and the wider world to focus on the future of the region, may yet turn this eventuality into a more imminent reality.

Our book is not a prediction that peace will come soon. We firmly believe, however, that thoughtful preparation can help make peace possible. And when peace comes, this preparation will be essential to the success of the new state. This book is designed to help Palestinians, Israelis, and the international community—the United States, its Quartet partners, and Palestine's Arab neighbors—prepare for the moment when the parties are ready to create and sustain a successful Palestinian state.

Appendix 9.A: Major Infrastructure Investments

This appendix describes how we assessed the potential costs of developing the Palestinian road network, including a road to connect Gaza and the West Bank; a commercial seaport in Gaza; rehabilitation and expansion of the airport in Gaza; and upgrading and expanding the electric power grid. Detailed examination of these areas was outside the scope of this project.

Road Improvements

A good system of roads is essential to efficiently move people and goods within a Palestinian state and between Palestine and its neighbors. The West Bank and Gaza currently have an extensive system of roads, but the quality varies considerably. Palestine will need both more and better roads.

The West Bank and Gaza will also need suitable transportation links. Currently, Palestinians cannot move freely between the two areas. However, because road or rail connections would cross Israeli territory, they would have to be designed to ensure Israel's security.

A number of proposals have been made for a road and/or train connecting the West Bank and Gaza. One proposal envisages constructing an elevated road traversing the 47 kilometers from Beit Hanoun to Dura, referred to as the southern safe passage route. According to former Israeli Prime Minister Ehud Barak, the high end estimated cost of an elevated roadway of 47 kilometers is \$10 billion. A traditional road would be considerably cheaper, potentially as little as \$200 million, according to the Palestinian Economic Council for Development and Reconstruction. Israeli newspaper *Ha'aretz* cites another estimate by the Israeli Public Works Authority of \$1 billion for a connecting road, which we consider to be a more realistic estimate than either of the two extremes.⁶

An alternative approach to using these estimates is to estimate the cost of constructing a road running through Israel lined on both sides by a security fence. We have created our own rough cost estimate assuming that the road would have to be lined on both sides with a security wall akin to the West Bank separation barrier currently being built by Israel. The cost of that barrier is reported to be approximately \$2.2–\$3.3 million per kilometer.⁷ Assuming that this is an appropriate costing analogue, fencing both sides of a 47-kilometer road would cost between \$207 and \$310 million; this would be in addition to the costs of constructing the road itself and the costs of over- or underpasses connecting Israeli territory north and south of the road. Depending on

⁶ Akiva Eldar, "There Is No Such Thing as a Magic Bridge," *Ha'aretz*, October 6, 1999.

⁷ "Cost of Fence Could Rise to NIS 15 Million Per Kilometer," *Ha'aretz*, February 23, 2004.

the number of intersections, the costs of building these passages could add appreciably to the total costs.

Gaza Seaport

Currently, all seaborne shipments of goods and services entering or leaving the West Bank and Gaza go through Israeli ports. If security concerns are resolved, a future Palestinian state would likely build a port for Gaza to facilitate trade. On April 20, 2000, before the second intifada, a contract for the development of a 20,000-square-meter Gaza seaport was tendered.⁸ A Gaza port would be designed to handle commercial vessels of up to 35,000 deadweight tons, with a total throughput of one million tons a year.⁹ While this volume is smaller than Israeli ports—Ashdod and Haifa have annual throughput of 16.5 million and 15 million tons of cargo, respectively¹⁰—it would probably be adequate for the needs of a Palestinian state during its first decade of existence. Construction costs for a port of this size were estimated at \$62 million in 2000.¹¹ We note that the actual costs of such large public infrastructure projects are often higher than initially estimated. Construction was expected to take 25 months to complete; for this reason, and because the Palestinian government might choose to invest in a larger port, this cost estimate should be viewed as a lower rather than a midpoint estimate.

Airport

The government of a Palestinian state may choose to construct an airport capable of handling commercial aircraft. An airport was built in Gaza in 1998 at a cost of \$64 million.¹² The runway was 3,080 meters in length and could accommodate aircraft up to and including wide-bodied jumbo jets.¹³ However, the airport was heavily damaged by Israeli forces during the second intifada, and it will require significant repair before it can be used again. In the summer of 2003, the Palestinian Authority's Transport and

⁸ The Economist Intelligence Unit, *Country Profile: Palestinian Territories*, London, p. 23.

⁹ "Dutch to Build Harbor at Gaza," *Dredging News Online*, Vol. 1, No. 28, May 26, 2000; and The Economist Intelligence Unit, *Country Profile: Palestinian Territories*, London, p. 23.

¹⁰ Lloyds Register, *Fairplay Ports and Terminals Guide*, CD-ROM, 2003.

¹¹ "Full Steam Ahead at Gaza Port," *Middle East Economic Digest*, May 12, 2000. Construction of the Gaza seaport never began because of the second intifada.

¹² "Palestinians Get Their Wings," *The Economist*, November 7, 1998, p. 46.

¹³ See <http://www.gaza-airport.org/about1.html>.

Communications Minister cited the figure of \$35 million as the estimated outlay to repair and reopen the airport.¹⁴ To our knowledge, the Gaza airport was never equipped to handle substantial commercial traffic, which would require additional investment.

Electric Power Grid

In a 1999 needs assessment, the World Bank master plan “identified investment requirements over the next ten years (exclusive of generation and new transmission lines) totaling more than \$600 million” for Palestine.¹⁵ The costs of building generating capacity and new transmission lines would be appreciably more than this figure, especially if the Palestinians were to replace Israeli generating capacity with indigenous plants.

¹⁴ “Israel Said to Agree ‘in Principle’ to Gaza Airport Rehabilitation,” *BBC Monitoring*, July 9, 2003.

¹⁵ World Bank, *Project Appraisal Document on a Proposed Trust Fund Credit in the Amount of \$15.0 Million to the West Bank and Gaza for an Electric Sector Investment and Management Project*, Report No. 19603-GZ, August 12, 1999, p. 17.

Index

- Accountability, 51–52, 147–148
- Accreditation, 262–264
- Adler Committee, 1985, 243
- Adult education, 344–345
- Afifi, Adel, 298
- Agreement on the Gaza Strip and the Jericho Area*, May 1994, 35
- Agriculture
 - climate zones, 123
 - crop mix, 183
 - labor intensive, 118
 - limiting irrigation, 183
 - wastewater reuse, 185
 - water demand, 164, 171, 175, 191–192, 206–208
 - water supplies, 123
 - See also* Irrigation
- Airports, 120, 144, 387–388, 393–394
- Al-Amn al-Khass (Special Security Force), 38, 39, 56
- Al-Amn al-Ri'asah (Presidential Security Service, PSS or Force 17), 38, 39, 56
- Al-Amn Al-Watani (National Security Force), 38, 39, 56
- Al-Amn al-Wiqa'i (Preventive Security Service), 38, 39, 56
- Al-Aqsa intifada (2000–2004), 6, 36, 324–325
- Al-Aqsa Martyrs Brigades, 36, 37
- Al-Aqsa Mosque, 16
- Al-Ayyam* (newspaper), 336
- Al-Quds University, 267, 271, 326
- Al-Shurta (Civil Police), 39
- Analogy estimating process, 10
- Anemia, 180, 281–282
- Anti-Terrorism Assistance (ATA) Program, 58
- Aquifers
 - consumption rates, 164
 - definition, 167
 - management, 169–170
 - overuse, 176
 - reduced withdrawals, 184
 - saltwater intrusion, 176–177
 - sustainable yield, 167–168, 197–198
- Arab Human Development Reports*, 312, 313, 315–316
- Arab-Israeli War, 1948, 15, 73, 76–80, 321
- Arab League peace initiative, 15
- Arafat, Yasser
 - Basic Law, 25
 - death of, 21, 391
 - efforts for judicial independence, 23
 - Palestinian Authority and, 19
 - protection of, 38
- Attorneys General, appointment, 40
- Australia, 24
- Banias spring, 167
- Banking sector, 121, 146
- Barnea, T., 287
- Basic education
 - definition, 311
 - enrollment, 95, 327, 328, 369
 - teachers, 332
- Basic Law, 25, 50
- Basic science research, 279–280
- Bayt Hanun, 43
- Behavioral risk factors, 277
- Biometric technologies, 59
- Birzeit University, 52, 271, 278
- Borders, 38, 59, 114, 381
 - See also* Contiguity; Permeability
- Bosnia, 140, 141, 391
- Bottom-up estimating process, 10, 11
- Boycotts, 112, 119
- British Common Law, 39–40
- British Mandate (1917–1948), 23, 24, 76, 320
- Brom, Shlomo, 37–38
- Budgetary authority, 26
- Building a Knowledge Society*, 313
- Bureau of Diplomatic Security, 58
- Bush, George W., 1
- Business climate, 147–148
- Business registration, 148
- Cancer/tumor registry, 277
- Capital investments
 - access to, 108, 145–146
 - education spending and, 366
 - GNI trends and, 138–139
 - health sector, 235, 286–288

396 Building a Successful Palestinian State

- in internal security, 48–49, 61–62
- Palestinian State and, 390
- Capital stock (*K*), 151
- Central Intelligence Agency, 58, 59–60
- Central Unit for Quality of Health Care, 270
- Certification, health professionals, 258–262
- Cesspits, 179
- CH2M HILL water modeling, 176, 179, 184, 187, 192–193, 194, 213–218
- Chemicals industry, 114
- Child detainees, 344
- Child health clinics, 232
- Child Health Committee in Gaza, 243
- Child psychiatry, 265
- Child Statistics Project, 340
- Chloride levels, 170, 177
- Christina, Rachel, 336
- Citizenship rights, 75
- Civil courts
 - infrastructure, 24
 - non-shari'a judiciary, 23
 - Palestinian, 22
- Civil Defense, 38
- Civil Police (Al-Shurta), 38, 39
- Civil service meritocracy, 22, 28
- Class sizes, 358, 362
- Classroom-Based Intervention program, 284
- Climate zones, 123
- Clinical screening records, 278
- Coalition of Palestinian Educational NGOs, 339
- Coalition Provisional Authority (CPA), 61–62
- Coast Guard (Shurta Bahariya), 38, 39, 56
- Coastal Aquifer, 170, 174
- Coastal Police, 38
- Cobb-Douglas production function, 150
- Colleges
 - enrollment, 95, 327–328
 - infrastructure, 96
 - investment in human capital, 148
 - options, 326–327
- Commercial law, enforcement, 24
- Communications networks
 - damage to, 115–116
 - infrastructure investment, 143
 - internal security reconstruction, 61–62
 - need for, 119
 - PALTEL, 120–121
- Community pride, 311, 335–336
- Company Law, 122
- Computer literacy, 342
- Conciliation Courts, 40
- Constitution, construction of, 25
- Consumer rights, 248
- Contiguity
 - economic development and, 127
 - income levels and, 159
 - legitimacy and, 14, 16
 - of the Palestinian state, 8
 - scenarios, 128–133
 - strategic decisions, 108
 - success of Palestine and, 381
 - total factor productivity and, 152
- Contraceptive practices, 90
- Co-option, definition, 57
- Corruption, 21, 22
- Costs of success
 - contiguity, 381
 - of desalination, 186–187
 - education system, 358–362
 - estimation of, 9–11
 - general reconstruction, 61–62
 - internal security options, 60–64
 - water supply projections, 206
- Counseling services, 329–330
- Counterterrorism, 58–59
- Courts
 - capital investment needs, 49
 - internal security reconstruction, 61–62
 - judicial independence in, 50–51
 - staffing needs, 47
- Courts of Appeal, 44
- Criminal courts
 - infrastructure, 24
 - non-shari'a judiciary, 23
 - Palestinian, 22
- Criminal justice system, 35
- Currencies
 - choice of, 146–147
 - devaluations, 112
 - three-tier system, 146–147
 - use of, 112
- Curricula, assessment of, 355
- Curriculum Development Center, 323
- Customs duties, 142
- Customs union, 124–125
- Dahlan, Muhammad, 57
- Dan spring, 167
- Data exchange systems, 278–279, 340
- Day-care centers, 329
- Dead Sea coast, 114
- Dead Sea water, 188
- Deckelbaum, Richard, 298–299
- Democratic Front for the Liberation of Palestine, 36, 37
- Demography, 73–106, 389
- Dental schools, 265
- Dependency ratios, 379
- Desalination, 186–189, 193, 194, 216
- Detention facilities, 49, 52–54, 61–62
- Devaluations, currency, 112
- Diabetes, trends, 277
- Diaspora, Palestinian, 18
- Dietary practices, 281–282
- Discharge data, 278
- District Courts, 40, 44

- Divorces, 90
- Domestic employment (*L*), 153–155
- Domestic private employment, 153–155, 154
- Domestic public employment, 153, 154
- Dropout rates, 330, 341, 344
- Early childhood education, 354
 - See also* Kindergarten;
 - Preschool services
- East Ghor Canal, 167, 173
- East Jerusalem, 39, 229, 239, 256–257
 - See also* Jerusalem
- Economic development
 - best-practice policies, 141–149
 - demographic pressures, 97–99
 - foreign assistance and, 139–142
 - good governance and, 19
 - growth accounting model, 133–139
 - internal security and, 41–42
 - labor force and, 98–99
 - population growth and, 75
 - relations with Arab neighbors, 119–120
 - resources, 123–124
 - scenarios, 126–127, 128–133, 129
 - transaction costs and, 122–123
 - underdeveloped sectors, 118–119
- Economic development zones (EDZs), 147
- Economic integration
 - decisions about, 108
 - economic growth and, 142–143
 - employment and, 153–155
 - income levels and, 159
 - with Israel, 127–128, 143
 - scenarios, 128–133
 - total factor productivity and, 152
- Economic viability
 - areas of investment, 389
 - challenge of, 3
 - contiguity and, 8
 - development of, 383–384
 - fertility rates and, 89
 - permeability and, 7–8
 - success of Palestine and, 4–5, 380
- Economy, 107–162
 - 1967–1993, 112–113
 - 1993–1999, 113–115
 - 1999, 110–112
 - challenges, 108
 - current, 115–116
 - immature government institutions, 121–122
 - issues, 108
 - Palestinian economy, 107–108
 - physical infrastructure and, 120–121
 - policy options, 109
 - political stability and, 116–117
 - private-sector access to capital, 121
 - scenarios, 108–109
 - security threats and, 116–117
 - trade regime, 124–125
- Education
 - 1517–1917 Ottoman, 319–320
 - 1917–1948 British Mandate, 320
 - 1948–1967, 320–321
 - 1967–1987, 321–322
 - 1987–1993 first intifada, 322–323
 - 1994–1999 early autonomy, 323–324
 - 2000–2004 Al-Aqsa intifada, 324–325
 - access to, 313–314
 - administrative “bulge,” 348–349
 - for adults, 344–345
 - basic sciences, 269
 - clinicians, 274
 - delivery of, 314–315
 - Egyptian administration, 320–321
 - female school enrollment, 92
 - fertility rates and, 89
 - financial barriers, 267–268
 - gender equality, 317–319
 - global competencies, 316–317
 - health care professionals, 267–268
 - health-related, 246
 - Israeli closure of schools, 324
 - Jordanian administration, 320–321
 - language of instruction, 347
 - nutritional status and, 281–282
 - Palestinian women, 74, 91–92
 - pharmacists, 274
 - quality of, 314
 - relevance of, 315–316
 - spending on, 361
- Education for All initiative, 312
- Education Management Information System, 323
- Education system, 309–378
 - access, 333, 334–337, 340–345, 352, 353–354, 362–363
 - budget for, 321
 - class sizes, 362
 - classroom context, 330–331
 - cost estimates, 365–369, 386–387
 - costs of success, 358–362
 - criteria for success, 312–319
 - current status, 333
 - delivery, 333, 339–340, 349–350, 352, 357–358, 363–364
 - dropout rates, 330
 - enrollment, 327–329, 359
 - financing of, 332–333
 - future of, 333–350
 - governance, 329
 - grade repetition, 330
 - improvement of, 385

398 Building a Successful Palestinian State

- infrastructure, 361–362
- per-student expenditure, 365–369
- planning foci, 352
- preschool services, 329–330
- priorities, 363
- projected enrollment, 369
- quality, 333, 337–339, 345–349, 352, 354–357, 363
- recommendations, 351–358
- rehabilitation of, 311
- scope, 327–329
- service demands, 95
- special services, 329–330
- spending per student, 359–361
- strengths, 334–340
- structure, 326–327
- teacher characteristics, 331–332
- today, 326–333
- Educational research, 348
- Educational Science Facilities, 338
- Egypt
 - border crossings, 144
 - health system infrastructure, 237
 - imports from, 119
 - Palestinian Authority relations with, 42
 - Palestinian trade with, 111
 - regional infrastructure investment, 144
 - security service training by, 58
- Egyptian administration, 320–321
- Elections, 27–28
- Electoral districts, 27–28
- Electric power grid, 388, 394
- Electricity
 - dependence on Israel, 120
 - distribution grid, 120
 - hydropower, 123
 - infrastructure investment, 143
 - regional grids, 144
 - solar power, 123
 - water needs and, 172
- See also* Energy
- Emergency Services, 38
- Employment
 - domestic (*L*), 153–155, 154
 - domestic private, 153–155
 - domestic public, 153, 154
 - in Israel, 112, 115, 125, 145, 153, 154
 - worker migration issues, 98
- See also* Unemployment
- Energy
 - costs of, 171–172
 - desalination, 186–187
 - water efficiency and, 206–211
 - water supply and, 171–172
- See also* Electricity; Hydropower; Solar power
- Enrollment
 - basic education, 95, 327, 328, 369
 - colleges, 95, 327–328
 - net enrollment rates, 327
 - parental education and, 318
 - projected, 369
 - schools, 92, 95
 - trends, 359
 - universities, 95
- Epidemiological data, 228, 254, 275–276
- Estimation of costs, 9–11
- European Hospital, Gaza, 262, 276
- European Union, 237
- Evidence-based medicine, 271
- Exports, 111, 113, 118, 142
- Ezzedin al-Quassam, 57
- Falkenmark, Malin, 165–166
- Family sizes, desired, 89, 91
- Fatah, 36, 37
- Fathi Shikaki faction, 37
- Federation of Palestinian Chambers of Commerce, Industry and Agriculture, 123
- Fertility rates
 - education and, 91–92
 - Palestinian population, 77, 85
 - population growth and, 84–85
 - projected changes, 74, 87–92
- Financial aid, per-capita, 140
- Financial industries
 - international borrowing, 140
 - lending-to-deposit ratios, 121
 - private-sector access, 121
 - property rights and, 146
- First intifada (1987–1993), 113, 322–323
- Fluitman, Fred, 316
- Folic acid supplementation, 281
- Food availability data, 277
- Food fortification, 281–282
- Food security data, 277
- Force 17 (Presidential Security Service or PSS), 39, 56
- Foreign aid
 - for educational projects, 149
 - trade deficits and, 111
 - World Bank estimates, 140–141
- See also* International donors
- Forensic science capability, 52
- Free trade, 124–125, 142
- Gas pipelines, 144
- Gastroenteric diseases, 233
- Gaza
 - agricultural water consumption, 207, 208
 - airport project, 23, 120
 - baseline water supply, 198
 - courthouses, 24
 - governance indicators, 21
 - groundwater, 170, 199
 - irrigation water scenarios, 183
 - Israeli annexation of, 15
 - judicial reform, 50
 - legal jurisdiction, 39
 - legal system integration, 24
 - population growth, 77–79, 84–92
 - population profile, 80–84
 - proportional representation and, 27
 - road and rail links, 128
 - security services, 38

- water base case scenario, 196
- water consumption, 93
- water demand, 176, 197, 203
- water supplies, 166, 175, 200, 201, 204, 205
- Gaza Aquifer
 - Israel's use of, 174
 - Oslo recharge value, 176
 - overdraft, 164
 - reducing withdrawals, 184
 - renewable yields, 192
 - sustainable yield, 168
 - water quality, 178
- Gaza City, 329
- Gaza Community Mental Health Center, 343
- Gaza Seaport, 144, 387, 393
- Gender equality, 317–319, 334–335, 341
- Gender roles, 337
- General Intelligence (Mukhabarat Salamah), 39, 56
- General Intelligence Service, 38–39
- Geneva Accord, 15
- Germany, 52
- Gill, Indermit, 316
- Global educational competencies, 316–317
- Golan Heights, 42
- Goods-producing sector economy, 111
- Governance
 - areas of investment, 388–389
 - challenge of, 3
 - education system, 315, 329
 - health care services and, 230
 - legitimacy and, 17
 - refugee return and, 18
 - requirements for, 20–29
 - state legitimacy and, 15–20
 - success of Palestine and, 3–4, 13–31, 380
- Government effectiveness, 21
- Government health benefits, 239–242, 282
- Government institutions, immaturity of, 121–122
- Graywater reuse, 181–182, 194, 214
- Green Line, 14, 43–44
- Gross domestic product (GDP), 110, 150–152, 156
- Gross national income (GNI)
 - adjusted, 368
 - calculation of, 155–159
 - education spending and, 365
 - per student spending and, 368
 - scenarios, 158–159
 - teacher salaries and, 367
 - trends, 135, 136
 - West Bank and Gaza, 110
- Gross national product (GNP), 114
- Groundwater, 164, 170, 190–191
- Growth accounting model, 133–139, 150–159
- Growth rates, problems due to, 73
 - See also* Population growth
- Gulf War, 113
- Haddad, Sa'd, 42
- Haemophilus influenza B vaccine, 233, 282
- Hamas, 36
 - Ezzedin al-Quassam wing, 57
 - goals of, 37
 - PA security forces and, 41
 - political arm, 57
 - politics of, 28
- Hansen, Peter, 343
- Haram al-Sharif (Temple Mount), 16
- Hasbani spring, 167
- Health
 - education and, 341
 - success of Palestine and, 380
 - water supply implications, 179–180
- Health care system, 223–308
 - access to, 232
 - analysis methods, 231
 - background, 231–243
 - costs, 239–243, 285–288, 386
 - data management, 279
 - efficiency of, 254
 - elements of success, 227–228
 - expenditures, 237–239
 - facility accreditation, 262–264
 - facility licensing, 262–264
 - finance, 250–258
 - funding, 237–239, 257
 - health sector analyses, 301
 - human resource development, 264–269
 - improvement of, 384–385
 - infrastructure, 235–237
 - integration of, 246–248
 - interviewed stakeholders, 296
 - managers, 268
 - methods of analysis, 294–295
 - organization before 1994, 234–235
 - Palestinian Authority and, 235
 - patient benefits, 239–243
 - per-capita spending, 286–288
 - performance indicators, 252
 - planning, 248–250
 - policy development, 243–248, 249
 - policy implementation, 249–250
 - primary care services, 282–283
 - priorities, 284–285
 - professional education, 267–268
 - programs for rapid improvement, 280–284
 - quality improvement, 270–272
 - RAND letter of introduction, 297–300
 - recommendations, 244
 - referrals for care abroad, 255
 - responsibilities, 246–247
 - service demands on, 96–97
 - service strategies, 279–280

400 Building a Successful Palestinian State

- supply-side incentives, 254–255
- tertiary care referrals, 251, 255
- timing, 284–285
- universal health coverage, 253–254
- unmet needs for, 253
- use statistics, 278
- Health Development, Information and Policy Institute (HDIP), 271
- Health information systems, 275–279
- Health Inforum web site, 231, 276
- Health insurance, 97, 237, 239, 241, 243, 250–258
- Health manpower registries, 277
- Health professionals, 258–262
- Health status, 232–234
- Heavy metals in aquifers, 170
- Hebron, corridor to, 43
- Hepatitis A vaccine, 233, 282
- Hezbollah, 36, 37, 42
- High Courts, 40, 44
- Higher education. *See* Tertiary education
- Home environment, learning and, 313
- Homeschooling kits, 325
- Hospitals, 96–97, 252, 278
 - See also* Health care system
- Housing, 94, 97, 388
- Human capital, 108, 117–118, 148–149
- Human resource development, 264–269
- Human rights violations, 51, 57
- Human Rights Watch, 44
- Husseini, R., 287
- Hydropower, 123
 - See also* Energy
- Hygiene, trends in, 232
- Identification cards, 59
- Immigrants, 381
- Immunization rates, 233, 282
- Imports, 111, 119
- Income levels
 - economic development and, 19
 - health care spending and, 286
 - national, 155–159
 - Palestinian diaspora, 18
 - private-sector employment and, 137
 - trends, 115
 - World Bank statistics, 110
- Industrial development, 108
- Infant mortality, 84, 232, 318
- Information technology, 143, 275–279, 317
- Infrastructure
 - construction of, 115
 - detention facilities, 52–54
 - economic growth and, 143–145
 - education spending and, 366
 - education system, 95–96, 361–362
 - internal security needs, 48–49
 - internal security reconstruction, 61–62
 - investments, 392
 - key elements, 387–388
 - leaking pipes, 179
 - regional projects, 144–145
 - repair of, 24
 - security challenges, 40–45
 - for trade, 120
 - water supplies, 93–94
- Institute of Education, 338
- Intellectual Property Law, 122
- Intelligence Services, 38, 59–60
- Inter-industry linkages, 118
- Internal security, 33–71
 - challenges, 40–45
 - cost of rebuilding, 63, 64
 - costs of, 60–64, 386
 - historical overview, 35–40
 - options, 45–60
 - phases of, 36
 - security forces, 39
 - staffing issues, 46–48
 - See also* Security
- International access
 - health systems and, 229–230
 - restriction of, 250, 257–258, 262, 264, 269, 272, 275, 279, 280, 284
- International aid, 53, 139–142
 - See also* International donors; Nongovernmental organizations (NGOs)
- International borrowing, 140
- International Commercial Arbitration Law, 122
- International Committee of the Red Cross, 234
- International Criminal Investigative Assistance Program (ICITAP), 51–52
- International donors
 - education projects, 323–324, 349–350
 - health care, 238–239, 289
 - to health care systems, 289
 - nonformal education projects, 344
 - Palestinian State and, 389–391
 - success of Palestine and, 381
- International Monetary Fund (IMF), 126
- Intestinal parasites, 170
- Iran, 42
- Iraq, 61–62, 113, 144
- Irrigation
 - brackish water in, 178
 - drip methods, 183
 - efficiency, 194
 - limits on, 181, 183
 - water demand scenarios, 183
 - See also* Agriculture
- Islamic Resistance Movement, 41
- Israel
 - 1967 borders, 15
 - boycotts of, 119
 - collaboration on tourism, 143
 - customs union, 112, 142
 - economic integration with, 127–133

- electricity from, 120
- employment in, 6, 98, 112, 125, 145, 153, 154
- health system infrastructure, 237
- imbalance of power and, 20
- Palestinian population growth, 77–79
- recognition of the PLO, 5
- state of, 76
- tariffs, 111, 112
- technology transfer, 112–113
- trade with, 111
- water availability per year, 166
- water sources, 163
- Israeli Defense Forces (IDF), 36, 37–38, 40–41, 234
- Israeli Health Ministry, 234
- Israeli laws, 40
- Israeli-Palestinian Agreement on the Gaza Strip and Jericho Area, 1994, 38
- Israeli-Palestinian Interim Agreement, 38
- Israeli settlements, 16, 43, 100, 381
- Israeli Water Commission, 179
- Istikhabarat al-Askariya (Military Intelligence), 39, 56
- Italian Cooperation project, 278
- Jails. *See* Prisons
- Jerusalem, 16–17
 - See also* East Jerusalem
- Jordan
 - border crossings, 144
 - East Ghor Canal, 167
 - health system infrastructure, 237
 - PA relations with, 42
 - Palestinian population growth, 77–79
 - Palestinian trade with, 111
 - refugees return from, 102, 103, 104
 - regional infrastructure investment, 144
 - security service training by, 58
 - water availability per year, 166
- Jordan River, 167–169, 170, 174
- Jordan River Basin, 168
- Jordan River Valley, 114
- Jordanian administration, 320–321
- Jordanian Higher Council of Science and Technology, 280
- Judicial Authority Law, 50
- Judicial system
 - administration of, 39–40
 - basic reforms in, 49–54
 - capital investment needs, 48–49
 - empowerment of, 23
 - independence of, 50
 - infrastructure, 24
 - lending system caution and, 121
 - Palestinian, 22
 - power of, 44
 - See also* Law enforcement; Police force
- Judiciary, 23–24, 47, 49, 122
- Kidney dysfunction, 180
- Kidney failure, 180
- Kindergarten, 331, 354, 369
- Konrad Adenauer Foundation, 52
- Kosovo, 140, 141, 391
- Kouhail, Hisham, 346
- Kuttab schools, 319–320
- Kuwait, 77–79, 113
- Labor force
 - annual change in, 153
 - growth of, 97–98, 125
 - projections, 152
 - women in, 118
- Lake Tiberias, 167, 170, 173, 174
- Land, Oslo Accords and, 114
- Land registry, 146
- Law enforcement
 - basic tasks, 45
- capacity building, 58
 - Civil Police role in, 38
 - foreign training for, 51–52
 - international involvement, 53
 - See also* Judicial system; Police force
- Learning, environment and, 313
 - See also* Education system
- Lebanese Council for Scientific Research, 280
- Lebanon
 - Hezbollah links to, 37
 - Palestinian population growth, 79
 - refugee return from, 18, 102, 103, 104
 - water availability per year, 166
- Legal decisions, enforcement of, 24–25
- Legitimacy
 - contiguity of lands and, 14
 - good governance and, 13–14, 15–20, 17
 - Jerusalem and, 16–17
 - political, 3, 8
 - size of lands and, 14
 - success of Palestine and, 381
 - violence and, 17
- Lending-to-deposit ratios, 121
- Licensing
 - health care facilities, 262–264
 - health professionals, 258–262
 - medical professionals, 234
- Life expectancy, 84–85, 232
- Lifelong learning opportunities, 344–345
- Litani River, 173
- Literacy rates, 335
- Lurie, Nicole, 298–299
- Magistrates Court, 44, 47
- Malnutrition, 281–282
- Mandate Palestine, 23, 24, 76, 320
- Manpower registries, 277
- Manufacturing sector economy, 111

- Marriage patterns, 90
- Maternal care clinics, 232
- Maternal mortality rates, 232
- Matriculation examinations, 323
- Medical consumables, 275
- Medical devices, 272–275, 275
- Medical education, 265
 - See also* Medical schools
- Medical records systems, 278
- Medical research strategies, 279–280
- Medical schools, 258–259, 267
- Mediterranean Sea, 188
- Meritocracy, 22, 28
- Micronutrient deficiencies, 233, 281
- Micronutrient supplementation, 281–282
- Migration, return, 99–105
- Militant groups, 36–38, 57, 60
 - See also* specific groups
- Military assistance, international, 58–59
- Military Courts, 40
- Military Intelligence (Istikhabarat al-Askariya), 39, 56
- Mineral supplements, 233
- Ministry of Defense, 55
- Ministry of Education (MoE), 235, 266, 315, 336, 349
- Ministry of Finance, 235
- Ministry of Health (MOH)
 - European Union health sector review, 231
 - health care spending, 238
 - health system organization and, 225
 - interministry cooperation, 247
- Ministry of Education and Higher Education and, 266
- organization, 236
- recommended programs, 281–282
- responsibility for health services, 235
- Ministry of Justice, 40, 61–62
- Ministry of Labor, 355
- Ministry of the Interior, 55–56
- Missionaries, education efforts, 320
- Modeling. *See* specific system
- Mortality rates, 74, 84–85, 87, 232, 318
- Mountain Aquifers
 - bacterial contamination, 177
 - basins, 174
 - Israel's use of, 174
 - reducing withdrawals, 184
 - renewable yields, 192
 - stress on, 177
 - sustainable yield, 168
- Mukhabarat Salamah (General Intelligence), 39, 56
- Municipal Courts, 40, 44
- Muslim holy sites, in Jerusalem, 16
- Nakaba riots, May 2000, 36
- Napoleonic law, 24, 40
- National health accounts data, 277–278
- National Plan for Human Resource Development and Education in Health*, 2001, 225, 228, 293
- National Plan for Palestinian Children, 337
- National Security Force (Al-Amn Al-Watani), 38, 39, 56
- National Strategic Health Plan, 1999, 292
- National Water Council, 174
- Natural gas reserves, 171
- Natural resources, 123–124, 171
 - See also* Water
- Net enrollment rates, 327
- Neurologists, 265
- Newborns, screening of, 278
- Nitrate levels, 170, 177, 180
- Non-shari'a judiciary, 23
- Noncommunicable diseases, 233, 277
- Nonformal education, 344
- Nongovernmental organizations (NGOs)
 - aims, 244–245
 - education projects, 324, 339, 349–350
 - government control over, 249
 - health services, 238, 242–243, 255–256
 - nonformal education projects, 344
- Norway, 52
- Nurses, roles of, 282
- Nutritional status, 228, 276, 277, 281–282
- Nutritional supplements, 233
- Obesity, trends, 277
- Oil boom, collapse of, 113
- Oncologists, 265
- Operation Defensive Shield, 37–38
- Operation Desert Storm, 77
- Operational Plan for Quality of Health Care in Palestine*, 270
- Oslo Accords
 - changes in legal jurisdiction, 39
 - economic development zones, 147
 - economic growth after, 115
 - effect on Israeli control, 114
 - institutions created by, 20–21
 - interim nature of, 117
 - Palestinian Authority and, 19
 - police force before, 35
 - refugee return and, 79–80
 - on water issues, 173
- Oslo I. *See* Oslo Accords
- Oslo II. *See* Oslo Accords
- Oslo peace process, 16
- Ottoman laws, 40
- Outpatient costs, 278
- Palestine, State of
 - carrying capacity, 93–94
 - citizenship rights, 75
 - economic scenarios, 126–133

- enabling of, 381–382
- factors for success, 380–382
- financing of, 385–391
- geographic contiguity, 127
- government staffing levels, 46–48
- health system infrastructure, 237
- land area of, 15–16
- maturation of, 382
- net migration, 86
- Supreme Court justices, 23
- Palestine Liberation Army, 36, 113, 173
- Palestine Liberation Organization (PLO), 4–5, 15, 19–20, 245
- Palestinian Authority (PA)
 - authoritarian practices of, 13, 19–20
 - control of security forces, 38
 - education budget, 332
 - education system control by, 323
 - establishment of, 5
 - government revenues, 20
 - imbalance of power and, 20
 - lack of social contract, 20
 - perception of corruption within, 22
 - responsibility for health services, 235
 - U.S. government support, 257
- Palestinian Central Bureau of Statistics (PCBS), 74, 84–87, 275–276, 340
- Palestinian Council of Health, 225, 245
- Palestinian Curriculum Development Center (PCDC), 337–338
- Palestinian Health System, 238, 240
 - See also* Health care system
- Palestinian Human Rights Monitoring Group, 44
- Palestinian Hydrology Group (PHG), 179
- Palestinian Islamic Jihad (PIJ), 36, 37, 41
- Palestinian Legislative Council (PLC), 26, 122
- Palestinian Monetary Authority (PMA), 113–114, 122, 146
- Palestinian National Authority, 97
- Palestinian population
 - age-gender structure, 81–84
 - dependency ratios, 86, 379
 - distribution by region, 76
 - fertility potential, 85
 - growth rates, 78, 209
 - homeland for, 99
 - intensive service users, 81
 - projections for 2025, 88
 - worker migration, 98
- See also* Population density;
 - Population growth;
 - Population mobility
- Palestinian Red Crescent Society (PRCS), 262–263
- Palestinian Water Authority (PWA), 174, 181, 206
- PALTEL, 120–121
- Parametric estimating process, 10
- Parasitic diseases, 233
- Paris Protocol (Protocol on Economic Relations of 1994), 111, 113
- Parliamentary democracy, 22, 25–28
- Patient cost sharing, 237
- Patient rights, 248
- Per-capita domestic consumption, 213
- Per-capita incomes, 5
- Permeability, 7–8, 17
- Pharmaceuticals, 241–242, 275
- Pharmacists, training of, 274
- Pharmacy data systems, 278
- Phenylketonuria (PKU) screening, 278
- Police force
 - accountability of, 51–52
 - capital investment needs, 49
 - enforcement of legal decisions by, 24–25
 - external assistance for, 51–52
 - human rights violations by, 57
 - international, 52–54
 - before the Oslo Accords, 35
 - responsiveness of, 51–52
 - staffing needs, 47
 - training of, 52–54
 - See also* Judicial system; Law enforcement
- Police stations, 61–62
- Political legitimacy, 3–4, 8
- Political parties, 27
- Political resistance, 322
- Political risk insurance, 146
- Political stability, 116–117
- Political viability, 94–97
- Political violence, 9
- Pollution, 167, 171
- Popular Front for the Liberation of Palestine, 36
- Population density, 93
- Population growth
 - the economy and, 117–118
 - education spending and, 366
 - school growth and, 322, 330
 - state-building and, 93–99
 - trends, 383
- Population mobility
 - health systems and, 228–229
 - restriction of, 250, 257–258, 262, 264, 269, 272, 275, 279, 280, 284
- Posttraumatic stress disorder, 343
- Potash resources, 123
- Poverty levels, 110, 115
- Preschool services, 329–330, 332, 362
- Prescription drugs, 272–275
- Presidency, of Palestine, 25, 28
- Presidential Security Service (PSS or Force 17, Al-Amn al-Ri'asah), 39, 56
- Preventive Security Service (Al-Amn al-Wiqa'i), 38, 39, 56
- Primary care services, 232, 251–252, 282

404 Building a Successful Palestinian State

- Primary schools. *See* Basic education
- Prime Minister, of Palestine, 25, 27–28
- Prisons
capital investment needs, 49
foreign assistance for, 52–54
internal security
reconstruction, 61–62
staffing needs, 47
- Private employment, domestic, 153–155
- Private property, 23
- Private sector economy, 137
- Private sector health services, 242–243, 255–256
- Property rights, 23, 24, 146
- Proportional representation (PR), 27–28
- Prosecutors, 47, 49, 52
- Protocol on Economic Relations of 1994 (Paris Protocol), 111
- Prozac (fluoxetine), 272
- PSS. *See* Presidential Security Service
- Psychiatry, 265
- Psychological services, 329–330
- Psychosocial needs, 283–284, 324, 325
- Public employment, domestic, 153
- Public health strategies, 279–280, 283
- Public safety, 38
- Public sector growth, 114
- Public Security, 38
- Quality improvement, health care, 270–272
- Quality Improvement Project (QIP), 270
- Quality of life, water and, 165–166
- Qur'an, literacy and, 320
- Radiation oncology, 265
- Rainfall, variations in, 168–169
- Rainwater, harvesting of, 184, 194, 199, 215
- Rajoub, Jibril, 57
- Ramallah, 24, 329
- The RAND Corporation
description, 297–298
estimation of costs by, 9–11
Palestine project, 298–300
- RAND Health, 297–298
- Red Crescent Society (RCS), 262–263
- Red Sea water, 188
- Referrals, health care abroad, 255
- Refugee return
burden of, 75–76
eligibility for, 101
good governance and, 18
international support for, 19
issues, 99–100
job growth and, 137
net migration and, 86
numerical estimates, 102–105
prioritization, 100–101
public order challenges of, 45
safe passage for, 53–54
timetables for, 101
- Refugees
descendants and, 80
in security forces, 36
status of, 5, 239
treatment of, 5
- Rejectionists, dangers of, 5
- Remittances, 113, 157–158
- Reproductive behaviors, 89–92
- Rescue Services, 38
- Resources, economic
development and, 123–124
- Responsiveness, law
enforcement, 51–52
- Roadmap for Peace, 1, 15
- Roads, 120, 387, 392
- Rule of law
Basic Law, 25
effectiveness of, 21
governance indicators, 21
promotion of, 22, 23
- Saltwater intrusion, 176–177
- Sanitation infrastructure, 170–171
- Saudi Arabia, 42, 144
- Schoenbaum, Michael, 298
- Schools
children's rights, 341
enrollment, 92, 95
homeschooling kits, 325
Israeli closure of, 324
private, 324
security, 343
See also Education system
- Science instruction, 316
- Scientific research, 279–280
- Seaports
Gaza, 144, 393
improvements, 387
Israeli, 120
- Second intifada, 5, 6, 36, 324–325
- Secondary education
access to, 353
definition, 311
dropout rates, 148–149
enrollment, 95, 327, 328
options, 326–327
projected enrollment, 369
relevance of, 345–346
teachers, 332
- Secured Lending and Leasing Law, 122
- Security
challenge of, 3
of food supplies, 277
good governance and, 17
health care services and, 230
Israel's need for, 145
of the Palestinian state, 8–9
permeability and, 7–8
promotion of, 382–383
school routes, 343
schools, 343
success of Palestine and, 3, 380
threats to, 116–117
See also Internal security
- Security forces
capacity building, 58

- control of, 38
- enforcement of legal decisions
 - by, 24–25
- functions, 39
- human rights abuses, 44, 57
- improving capabilities, 57–58
- justice system and, 44
- reform of, 54–69
- restructuring of, 55–56
- structure of, 38–39
- weakening of, 41
- Service demands, 94–97
- Service sector economy, 110–111, 115
- Sewage
 - broken sewers, 179
 - health issues, 180
 - infrastructure, 143, 164, 170–171
- Sharon, Ariel, 1
- Shā'th, Nabil, 25
- Shi'ite militant organizations, 37
- Shikaki, Khalil, 42
- Shurta Bahariya (Coast Guard), 38, 39, 56
- Six-Day War, 1976, 173
- Smoking, trends, 277
- Social well-being, 3, 5–6
- Soil types, agriculture, 123
- Solar power, 123
 - See also* Energy
- Special education services, 329, 344, 353
- Special Security Force (Al-Amn al-Khass), 38, 39, 56
- Spontaneous abortions, 180
- Staffing issues, 46–48
- Standards of living, 232
- State Security Courts, 40, 45
- Storm water capture, 192, 194, 199, 216
- Strategic Plan for Quality of Health Care in Palestine*, 270
- Student/teacher ratios, 96
- Success
 - costs of, 9–11
 - definitions of, 3–4
- Suicide attacks, 43–44, 114
- Supreme Court justices, 23
- Supreme Judicial Council, 45, 50
- Syria, 42, 102, 103, 166
- Taba, Egypt, 15
- Taba Agreement. *See* Oslo Accords
- Tanzim, 36
- Tariffs
 - elimination of, 148
 - free trade and, 142
 - Israeli, 111, 112
 - trade and, 125
- Tawjihi* examination, 326
- Taxes, 113–114, 125
- Teachers
 - characteristics, 331–332
 - gender ratios, 332
 - promotion standards, 345
 - salary trends, 348–349, 367
- Technical education, 355
- Technical training, 353
- Technology transfer, 112–113
- Telecommunications networks, 119
- Temple Mount (Haram al-Sharif), 16
- Terrorist groups, 36–38
 - See also* Counterterrorism; Militant groups; *specific groups*
- Tertiary education
 - access to, 353
 - definition, 311
 - enrollment, 347
 - options, 326–327
 - projected enrollment, 369
 - relevance of, 345–346
 - resources, 356–357
 - in the sciences, 316
 - See also* Colleges; Universities; Vocational training programs
- Textbooks, 337–338
- Total factor productivity (TFP), 126, 151, 152
- Tourism industry, 114, 115, 123–124, 143
- Trade
 - with Arab neighbors, 119
 - deficits, 111
 - dependence on, 111
 - development and, 124–125
 - negotiated agreements, 124–125
- Traffic control, 38
- Transaction costs, 114
- Transportation industry, 143
- Tunisia, 19–20
- "Tunnel Riots," 36
- Turkish language, 320
- Two-state solution, 4
- Unaccounted for water (UFW), 179
- Unemployment
 - education and, 117–118
 - estimated trends, 156
 - migration of labor and, 113
 - scenarios, 159
 - trends, 137
 - West Bank and Gaza, 110
 - See also* Employment
- UNESCO, 341–342
- United Nations, 52
 - See also specific programs*
- United Nations Development Program (UNDP), 312, 349
- United Nations Environmental Programme (UNEP), 193
- United Nations Relief and Works Agency (UNRWA)
 - budget, 242
 - health care spending, 238
 - health services, 234, 242
 - Institute of Education, 338
 - for Palestinian Refugees in the Near East, 225, 321
 - schools, 95, 331
- United Nations Security Council Resolutions
 - 242, 15
 - 338, 15
 - March 2002, 1

- United States
 - in administration of justice in Palestine, 46–54
 - counterterrorism assistance, 58–59
 - health system infrastructure, 237
 - intelligence cooperation, 59–60
 - legal system integration and, 24
 - military assistance, 58–59
- United States Agency for International Development (USAID), 273, 284
- United States Bureau of the Census (USBC), 74, 84–87
- Universal health coverage, 253–254
- Universities
 - closing of, 322
 - enrollment, 95
 - infrastructure, 96
 - investment in human capital, 148
 - options, 326–327
 - teachers, 331
- U.S. Agency for International Development, 186
- U.S. Health People 2010 targets, 248
- U.S. Justice Department, 51–52
- U.S. State Department, 58
- Utilization review, 251
- Utilization review, health care, 251
- Vaccines, 282
- Varicella vaccine, 233, 282
- Violence
 - children exposed to, 283–284, 343
 - economic triggers, 42
 - female education and, 318
 - infrastructure damage, 115–116
 - internecine, 41–42
 - legitimacy and, 17
 - by militants, 57
 - schools free of, 314
- Vital statistics records, 275
- Vitamin A deficiency, 233, 281–282
- Vitamin supplements, 233, 281
- Vocational training programs, 96, 316
 - access to, 353
 - health-related, 246
 - options, 326–327
 - relevance of, 345–346
 - standards for, 355
 - See also* Tertiary education
- Waste treatment costs, 195
- Wastewater
 - aquifer infiltration by, 177
 - current disposal, 169
 - infrastructure, 187–189
 - reclamation, 184–186, 202–204
 - reuse, 194, 215–216
 - reuse costs, 194
 - treatment, 199, 217–218
- Water, 163–221
 - base case, 196–197, 202
 - costs of, 202, 386
 - declining levels, 176–178
 - declining quality, 176–178
 - demand management, 180–183
 - demand projections, 202–206
 - desalination, 186–187, 188–189
 - distribution costs, 195
 - domestic efficiency, 194, 213–214
 - future options, 193–208
 - graywater reuse, 181–182
 - health implications, 179–180
 - historical context, 172–174
 - increasing efficiency, 181–182
 - infrastructure, 170–171, 178–179, 187–189, 192
 - limiting irrigation, 183
 - modeling demand for, 189–193
 - modeling supply of, 192
 - multilateral management plan, 173
 - networks, 216–217, 217
 - per-capita domestic consumption, 213
 - policies, 208–211
 - project costs, 192–193
 - quality of, 170, 384
 - quantity of, 384
 - scarcity, 165–167
 - sources, 174–175
 - success of Palestine and, 381
 - transportation of, 188–189, 195
 - unaccounted for (UFW), 179
- Water allocation model, 164
- Water consumption, per-capita, 93, 163, 213
- Water stress index, 166
- Water supplies
 - baseline, 197–201, 198
 - costs, 202
 - hydropower and, 123
 - inadequacy of, 175–176
 - infrastructure, 93–94
 - infrastructure damage, 164
 - infrastructure investment, 143
 - integrated management, 169–172
 - Israeli use of, 113
 - new, 198–201
 - Oslo Accords and, 114
 - projections, 200, 205
 - scenarios, 202–208, 213–218
 - shared rights to, 165
 - sources, 163
- Weizman Institute of Science, 279
- Well-being, 380
- West Bank
 - baseline water supply, 198
 - governance indicators, 21
 - groundwater quality, 170
 - irrigation water scenarios, 183
 - Israeli annexation of, 15

- judicial reform, 50
- legal jurisdiction, 39
- legal system integration, 24
- population growth, 77–79, 84–92
- population profile, 80–84
- predicted population growth, 87
- proportional representation and, 27
- refugee return to, 18
- security services, 38
- water base case scenario, 196
- water demand, 176, 197, 203
- water supplies, 166, 175, 200, 204
- West Bank Water Management Model, 192–193, 194
- Women, in the labor force, 118
- Workforce growth, 117–118, 125
- World Bank
 - estimates of aid, 140–141
- legal system integration and, 24
- on PA effectiveness, 21
- praise for the MoE, 339–340
- study by, 126
- World Business Environment Survey, 2000, 116–117
- World Health Organization (WHO), 170, 234, 248
- Yarmuk River, 167
- Yassin, Ahmed, 57